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A Point-by-Point Summary of the $48-Billion College-Aid Act: Pages 14-15

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Notes

A landmark college-aid bill has been passed by Congress after the measure's price tag was marked down to $48.4-billion. Story on Page 13.

The "most effective" lobbyist for higher education, Congressional staff members say, is Dallas Martin, of the student-aid officers' association. Story on Page 3.

Medical schools should reduce their enrollments by 17 per cent, a federal panel says. Story on Page 13, text of recommendations on Page 17.

A downward trend in test scores continues, according the latest annual report on Scholastic Aptitude Tests. Story on Page 4.

An electronic mail system at Stanford University reduces paperwork and speeds messages between administrators. Story on Page 5.

Iranian and Iraqi students on American campuses have shown little outward reaction to the war between their countries. Story on Page 6.

A historically black college is being "systematically dismantled," two lawsuits charge. Story on Page 6.

Excavation of 100 rooms has been completed by archaeology students digging into a pueblo in Arizona. Photographs and story on Pages 10-11.

University presses are moving into a new field: publishing novels. Story on Page 23.

Mexico is encouraging students to get training in skills needed by the oil industry. Story on Page 21.

ALSO IN THIS ISSUE

Books	23-25
Bulletin Board	35-63
Calendar	31-32
Canadian News	21-22
Deadlines	32
Deaths	30
Gazette	30
Grants	33-34
International News	21-22
Letters	26, 28
Marginalia	2
News in Brief	2
Notes on Radio and TV	2
Opinion	29
Point of View	64
Science	8
Textbooks	24
Washington News	13-20

Colleges Brace for Votes on Tax-Cut Proposals

Balloting in 9 states could limit higher-education funds

By Jack Magarrell

Ballots in next month's general election in at least nine states will include tax-cutting proposals that could affect support for higher education.

The proposals would reduce or limit government revenues from property taxes, which in many states are a direct source of support for community colleges.

Reductions in local property taxes can affect colleges and universities indirectly by putting local governments and schools into more direct competition with higher education for state funds raised by sales and income taxes.

In Michigan, where appropriations for public colleges and universities already have been reduced because of a sagging economy, a tax-cutting proposition on the November ballot could force even more drastic reductions.

Proposition D, one of several tax-cutting proposals Michigan voters will consider on November 4, is similar to a plan they rejected in 1978.

Called the Tisch proposal, it would roll back property-tax valuations to half the 1978 level, impose limits on annual increases in valuations, and require approval by 60 per cent of the voters for any new state tax.

Robert J. Kleine, director of the state's office of revenue and tax analysis, estimated that approval of the Tisch proposal would require a 57-per-cent cut in state spending, but the reduction for higher education could be much greater.

Public colleges and universities could lose as much as three-fourths of their state support if the Tisch proposal were adopted, Mr. Kleine said. The decisions on how to apportion the loss of funds among state agencies would be made by the legislature.

Colleges 'Would Cease to Exist'

"Some of our institutions would cease to exist," said President Harold Abel of Central Michigan University. Mr. Abel has been directed by the university's board of trustees to warn students and their parents before the election that approval of the Tisch proposal would be "devastating" for higher education.

Tax measures on the November ballots in other states:

▶ In Arizona, a proposal submitted to voters would limit residential-property taxes to 1 per cent of the 1979 value and limit increases in property taxes for local governments and community colleges to 2 per cent a year.

Russell O. Bloyer, executive director of the State Community College Board, said

Continued on Page 20, Column 1

'BLACK COLLEGE DAY'

WIDE WORLD

Students from black colleges, seeking support for their institutions, hold a rally in Washington. *See story on Page 6.*

Drug Company Challenges UCLA Over Ownership of Human Gene

By Anne C. Roark

The ownership of a human gene that produces interferon, a powerful anti-viral substance, has become the subject of a legal dispute between the pharmaceutical company Hoffmann-La Roche and the University of California at Los Angeles.

At issue in the case, now before a federal district judge in California, is whether the New Jersey drug company legally and ethically obtained the cells that produced the gene.

The case is crucial to the contending parties because of the potential profits involved, should interferon prove to be the wonder drug some scientists have predicted it will be. The case may also be important to other research universities because of the questions it raises about how scientists share information and whether academe and industry will be able to cooperate in the growing field of genetic engineering in the years ahead.

Known as KG-1, the cell line that produces interferon is potentially worth billions of dollars, according to university spokesmen. After being manipulated by genetic engineers hired by Hoffman-La Roche Inc., individual cells from the line have begun to produce large amounts of interferon, a protein now being tested for the treatment of cancer and chronic inflammatory diseases such as arthritis.

Company 'Unauthorized'

A lawyer for U.C.L.A. said last week that Hoffman-La Roche was "unauthorized" to use the genetic material, which, he contends, is the property of the two university scientists who "developed" the cells in the laboratory.

A lawyer representing the drug company said that the company had not "appropriated" property that belonged either to the scientists or to the university.

The company argues that the KG-1 cells do not belong to the U.C.L.A. scientists any more than they belong to the family of the cancer patient from whom they were extracted three years ago.

In a suit filed in a federal district court in San Francisco last month, the company asked the judge to determine all the issues involved in the case and to establish whether the company owes any money to the university. The company, which is usually called simply Roche, claims it does not. The university must decide this month whether it will file a counterclaim or ask the judge to dismiss the case.

Similar questions were raised last year in a Supreme Court case involving microorganisms that can break down components of crude oil and thus help clean up oil spills. In a 5-to-4 ruling, the Court agreed with Ananda M. Chakrabarty, a microbiologist, that he had the right to patent bacteria that he had created in the laboratory, even though the microorganisms evolved from a form of bacteria that occurs in nature. Although both cases are exam-

Continued on Page 8, Column 4

Note Pad

Educators were overjoyed and relieved last month when, at long last, Congress cleared the omnibus higher-education bill for White House approval. However, some education lobbyists found cause for concern in the outcome of the final Senate vote—even though the measure was passed by an overwhelming margin.

One of the six Senators who voted against the final version of the college-aid bill, lobbyists noted with dismay, was Sen. Paul Laxalt, the Republican of Nevada who is also chairman of Ronald Reagan's Presidential campaign.

"Laxalt's vote has extra significance, because you have to wonder if this is reflective of Reagan's position on higher education," one lobbyist said. "That, coupled with the fact that the Republican party's platform has nothing in it about student aid, has made us a little nervous."

■

One education issue on which Mr. Reagan has taken a clear stand is the future of the U. S. Department of Education. Echoing a proposal included in the Republican platform, Mr. Reagan has called for the abolition of the newly established agency.

Although the Education Department could not be dismantled without the approval of Congress, one political commentator apparently puts low odds on the agency's chances for survival if Mr. Reagan is elected.

In a recent newspaper article, William Safire, the conservative columnist, speculated about who might be named to top positions in a Reagan Administration.

Mr. Safire placed bets on every Cabinet-level post—including a long-shot prediction that Thomas Sowell, professor of economics at the University of California at Los Angeles, would be named Secretary of Labor—with one conspicuous exception. He did not even bother to speculate about whom Mr. Reagan might choose to be Secretary of Education.

■

Although the National Academy of Sciences insists that it is "internal" academy business, sources there report that the White House science adviser, Frank Press, is in line to be the organization's next president.

Mr. Press, who was a professor at the Massachusetts Institute of Technology before joining the Carter Administration, would replace Philip Handler, who will step down next June after serving the maximum 12 years in office.

The only problem with the selection of Mr. Press is that he may run into difficulties with the Ethics in Government Act, a measure passed by Congress in 1979 to restrict the employment of former government employees. Although the academy is not strictly a government organization, it was chartered by Congress to give advice on federal science policy.

■

Women have made little progress in landing top-level jobs in the federal bureaucracy, a report by the National Women's Political Caucus shows. But the Department of Health and Human Services—formerly the Department of Health, Education, and Welfare—has the largest number and greatest proportion of women and showed the second-greatest improvement between 1976 and and 1979.

In 1976, the report shows, 17 per cent of the department's upper-level employees were women. Last year, the figure stood at 19.7 per cent.

Washington

Congress Passes $48-Billion Bill Extending College-Aid Programs

By Janet Hook

WASHINGTON

A landmark college-aid bill cleared its last Congressional hurdle when the Senate overwhelmingly approved a compromise plan to extend federal higher-education programs.

Voting 83 to 6, the Senate passed and sent to the White House a $48.4-billion measure that was a pared-down version of an earlier conference bill. The Senate had rejected the first compromise plan at the urging of members of its Budget Committee, who balked at its $50-billion price tag.

The House of Representatives passed the new compromise bill, know as the Education Amendments of 1980, by voice vote.

During debate on the Senate floor, critics of the first conference agreement rose in support of the new compromise plan and praised Senate negotiators for their success in winning further cost-saving concessions from reluctant House conferees.

Sen. Ernest F. Hollings, the South Carolina Democrat who heads the Senate Budget Committee, said the revised bill satisfied his earlier demands for short-term savings in federal student-loan programs and for reductions in the overall cost of the omnibus bill.

In the second round of negotiations, a House-Senate conference committee trimmed $1.4-billion from the cost of the five-year bill—including a cut of $378-million in student-loan programs next year, to bring spending in line with ceilings set in the fiscal 1981 budget.

'Unacceptably High Spending'

Sen. George J. Mitchell, Democrat of Maine and a member of the Budget Committee, said the new conference agreement "demonstrates the validity of the position taken by the Senate: That the unacceptably high spending envisaged in the original conference report could, in fact, be reduced without material harm to the students aided by these programs."

In drafting the new compromise, conferees agreed to increase interest rates on Guaranteed Student Loans from 7 to 9 per cent, reduce authorization levels in 11 higher-education programs, and strengthen Congress's authority to put into effect a new cost-saving mechanism for financing National Direct Student Loans—with funds borrowed from the Federal Financing Bank instead of with direct appropriations.

Before the final vote, some Senate critics called again for more drastic steps to control the cost of the guaranteed-loan program by cutting back federal interest subsidies or by changing provisions enacted in 1978 that allow middle- and upper-income students to receive subsidized loans.

Because Congress has limited control over spending for guaranteed loans, critics of the second compromise warned, future budget cutbacks would have to be borne by grant programs for needy students that are controlled through direct appropriations—as happened this year when Congress rescinded $140-million in Basic Educational Opportunity Grants to help reduce the fiscal 1980 budget deficit.

"In other words," said Sen. Howard M. Metzenbaum, Democrat of Ohio, "we spend our funds to assist students in the middle- and upper-income brackets, and

Continued on Page 16, Column 2

Panel, Predicting Physician Surplus by 1990, Proposes a 17-Pct. Cut in Medical Enrollment

WASHINGTON

American medical schools should reduce enrollment by 17 per cent and the United States should limit the number of graduates of foreign medical schools allowed to practice here, a government-sponsored commission said last week.

Even if such steps are taken, the commission said, the United States will have a surplus of physicians by the end of the decade.

A 22-member panel of medical experts and federal officials, the Graduate Medical Education National Advisory Committee, was established in 1976 to advise the Department of Health, Education, and Welfare on "health-manpower planning and policies, and has conducted a three-year study of graduate medical training. It reported to the department, now called Health and Human Services, last Tuesday.

Although the U. S. has a slight shortage of doctors today, in 1990 it will have 70,000 more than it will need to meet health-care needs nationwide, the committee estimated.

It attributed the impending surplus, in part, to the expansion of medical-school enrollment over the last 12 years in response to the shortage of physicians in the 1960's.

To bring the supply of doctors closer to the number needed for health-care services in the future, the committee recommended a 17-per-cent cut in medical-school enrollment and said no new medical schools should be established.

Anticipating a criticism that enrollment reductions might hurt affirmative-action efforts, the advisory committee said that "care should be taken to assure that programs to increase the representation of minority groups in medicine are not thwarted."

Acknowledging that "it will be difficult to decrease enrollments in medical schools with the current influences favoring expansion," the report recommended that the federal government take steps to eliminate existing incentives to further growth.

For example, the report called for the termination of enrollment-based federal grants aimed at encouraging the production of more doctors. That recommendation echoed President Carter's request, in his proposed budget for fiscal 1981, that no funds be appropriated for so-called cap-

Continued on Page 17, Column 1

Saying It Costs Too Much, Oklahoma Turns Down $950,000 in U.S. Aid

OKLAHOMA CITY

In a dispute over federal reporting requirements, the Oklahoma State Regents for Higher Education have turned down about $950,000 in federal funds for collegiate programs in technical and occupational education.

The decision was made by a vote of 8 to 0, with one abstention, after Chancellor E. T. Dunlap told the regents that the requirements would cost participating Oklahoma institutions an estimated $3 in administrative expenses for every $1 received in federal aid.

A board spokesman said that only a "small proportion" of 410 college-level vocational programs in the state would be affected by the decision. "It's not going to have a big impact," said David Blakeman, a communications officer.

Mr. Blakeman said the federal rules, part of a new "Vocational Education Data System," would have required Oklahoma institutions to duplicate reports they were already making to the National Center for Education Statistics.

He said another reason for the regents' action was that new federal requirements would be in "basic conflict" with the state board's legal authority over program operations and budget allocations.

"It would be dictated to the state regents what programs would get how much," Mr. Blakeman said, "and the allocation of those funds according to the federal guidelines had no relationship to the enrollment or the cost of program operation."

Another state official, who declined to be quoted by name, said the regents' concern was related in part to rules for reporting student racial statistics, as well as followup data on job placement. —R.L.J.

NOTE

ONLY THE FOLLOWING PAGES OF THIS PUBLICATION

HAVE BEEN FILMED

p. 1, 13, 16.

GAO Report Raps White House's Science Office

WASHINGTON

The White House Office of Science and Technology Policy has not yet defined the government's role in science and has failed to provide long-range technological planning for the country, the General Accounting Office has charged.

Reporting on a study requested by Sen. Adlai E. Stevenson, Democrat of Illinois and chairman of the Subcommittee on Science, Technology, and Space, the accounting office urged the science office to mend its ways or ask Congress "to relieve O.S.T.P. of its mandate."

While it does not represent the first dispute between lawmakers and the White House science adviser, the report contains some of the harshest criticism the office has faced since it was re-established in 1976 after being abolished by President Nixon in 1973.

'A Detached Perspective'

"Many constraints—including O.S.T.P.'s small size and its perceptions of the operating style of the President and the President's senior advisers—inhibit O.S.T.P.'s further involvement in comprehensive strategic planning," the report said. "G.A.O. believes, however, that within existing constraints O.S.T.P. can establish a systematic and formal mechanism for identifying long-range, emerging issues and for providing a detached perspective in screening outside proposals for O.S.T.P.'s agenda."

Specifically, the G.A.O. urged the O.S.T.P. to:

▶ Prepare the comprehensive reports on the status of science and technology required by law, or ask Congress to relieve it of that requirement.

▶ Establish a formal mechanism to evaluate suggestions on the issues the office should address.

▶ Take greater initiative in selecting issues for the annual report on science and technology and on the five-year outlook—the two major federal studies on the status of science and technology prepared by the National Science Foundation.

Director's Response

In responding to the criticism, Frank Press, director of the O.S.T.P., disagreed with the G.A.O.'s accusation that his office had ignored its mandate. Mr. Press questioned the validity of the broad, comprehensive studies of science that lawmakers have requested in recent years.

Rather than tackling problems that are too global and, therefore, insolvable, the office has taken a "sensible approach" in trying to "address policy issues on a manageable basis," Mr. Press said.

Moreover, he denied the G.A.O.'s contention that the O.S.T.P. had ignored many issues important to science and technology.

"On the contrary, the needs of science and technology have never been far from our minds," he said in a letter to the accounting office. "The efforts of our office in this area have been substantial: in assuring the support of basic research, in dealing with equipment needs, in strengthening the commitment to basic research throughout the government, and, recently, in commencing a Presidential-level examination of science and engineering education."

Free copies of the report—"The Office of Science and Technology Policy: Adaptation to a President's Operating Style May Conflict with Congressionally Mandated Assignments"—are available from the General Accounting Office, Document Handling and Information Services Facility, P.O. Box 6015, Gaithersburg, Maryland 20706.

—ANNE C. ROARK

FACT-FILE

Authorization Levels for College Aid, 1981-85

Amounts in the higher-education bill passed by Congress

	Fiscal 1981	Fiscal 1982	Fiscal 1983	Fiscal 1984	Fiscal 1985
Title I: Continuing-education programs and planning					
State planning and continuing education	$ 20,000,000	$ 30,000,000	$ 40,000,000	$ 50,000,000	$60,000,000
Commission on National Development in Postsecondary Education	3,000,000				
Title II: College libraries					
College-library resources	$ 10,000,000	$ 30,000,000	$ 30,000,000	$ 30,000,000	$ 35,000,000
Library training, research, and development	10,000,000	30,000,000	30,000,000	30,000,000	35,000,000
Research-library resources	10,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Study of a national periodical center	750,000	750,000	†	†	†
Title III: Institutional aid					
Aid to developing institutions and institutions with special needs	$120,000,000	$175,000,000	$185,000,000	$200,000,000	$220,000,000
Challenge Grants for strengthening institutions		25,000,000	35,000,000	45,000,000	50,000,000
Title IV: Student financial assistance					
Basic Educational Opportunity Grants (Pell Grants)	†	†	†	†	†
Supplemental Educational Opportunity Grants					
Initial-year awards	$350,000,000	$350,000,000	$350,000,000	$350,000,000	$350,000,000
Continuing-year awards	†	†	†	†	†
State Student Incentive Grants	100,000,000	100,000,000	150,000,000	200,000,000	250,000,000
College Work-Study	670,000,000	720,000,000	760,000,000	800,000,000	830,000,000
National Direct Student Loans	400,000,000	400,000,000	475,000,000	550,000,000	625,000,000
Guaranteed Student Loans	†	†	†	†	†
Special programs for disadvantaged students	400,000,000	†	†	†	†
Veterans' cost-of-instruction payments	†	†	†	†	†
Aid to migrant-farmworker students	9,600,000	12,000,000	14,000,000	16,000,000	18,000,000
National Commission on Student Financial Assistance	$ 10,000,000				
Title V: Teacher training					
Teacher Corps	$ 45,000,000	$ 50,000,000	$ 60,000,000	$ 70,000,000	$ 80,000,000
Teacher-training grants	20,000,000	30,000,000	40,000,000	50,000,000	55,000,000
Training for teachers of the handicapped	2,000,000	3,000,000	5,000,000	5,000,000	5,000,000
Title VI: International education					
International and foreign-language study	$ 45,000,000	$ 50,000,000	$ 60,000,000	$ 70,000,000	$ 80,000,000
Business- and international-education cooperation	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000
Grants to promote international understanding ‡	5,250,000	6,750,000	8,250,000	9,000,000	9,000,000
Title VII: Construction and renovation of academic facilities					
State grants for undergraduate facilities	$100,000,000	$100,000,000	$100,000,000	$100,000,000	$100,000,000
Institutional grants for graduate facilities	80,000,000	80,000,000	80,000,000	80,000,000	80,000,000
Loans for academic facilities	80,000,000	80,000,000	80,000,000	80,000,000	80,000,000
Title VIII: Cooperative education					
Planning and programs	$ 30,000,000	$ 30,000,000	$ 30,000,000	$ 30,000,000	$ 30,000,000
Research and demonstration grants	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Title IX: Graduate education					
Strengthening graduate programs	$ 50,000,000	$ 50,000,000	$ 50,000,000	$ 50,000,000	$ 50,000,000
Institution-based fellowships (includes graduate and professional opportunities, public service, mining)	60,000,000	60,000,000	†	†	†
National Graduate Fellowships	†	†	†	†	†
Assistance for Training in the Legal Profession	5,000,000	5,000,000	7,500,000	7,500,000	10,000,000
Law School Clinical Experience program	5,000,000	8,000,000	8,000,000	9,000,000	10,000,000
Title X: Fund for Improvement of Postsecondary Education	$ 20,000,000	$ 30,000,000	$ 40,000,000	$ 45,000,000	$ 50,000,000
Title XI: Urban Grant University program	$ 15,000,000	$ 25,000,000	$ 35,000,000	$ 45,000,000	$ 55,000,000
Miscellaneous:					
Aid to students in U.S. territories	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
National Institute of Education	120,000,000	130,000,000	145,000,000	160,000,000	175,000,000
Pre-College Science Teacher Training	2,500,000				
Minority Institutions Science Improvement	5,000,000				
Native Hawaiian education	500,000				
Refugee-children impact aid	†				
Navajo Community College Assistance program	†				
Robert A. Taft Institute	750,000	750,000	750,000	750,000	750,000
General Daniel James Memorial Health Education Center	6,000,000				
William Levi Dawson Chair of Public Affairs	750,000				

† Appropriation of such sums as necessary
‡ Program transferred to Title III of the Elementary and Secondary Education Act

SOURCE: HOUSE AND SENATE CONFERENCE REPORT

College Aid

Continued from Page 13

then we are forced to cut back on grants to the needy."

The Senate vote came after stepped-up lobbying efforts by Carter Administration officials who acknowledged they had underestimated the strength of Senate opposition to the first conference report.

College and student associations, which were also taken by surprise by the earlier Senate defeat, organized their campus constituencies in an intensified campaign to insure passage of the measure on the second vote.

While Senate approval of the higher-education bill marked the end of two years of legislative work, the Administration has just begun its job of writing regulations to put the new provisions into effect.

A coalition of Washington higher-education groups, headed by the American Council on Education, has set up 12 planning committees to draft recommendations for the Department of Education to consider in developing regulations.

The agency has already begun planning to set up the new loan program for parents of college students, in consultation with representatives of colleges and universities, the banking industry, and other interested groups, according to Thomas A. Butts, Deputy Assistant Secretary for student financial aid.

Mr. Butts said the parent-loan program and other changes in the Guaranteed Student Loans, such as increased loan limits and higher interest rates for new borrowers, would go into effect on January 1.

Changes in the direct-loan program and other new student-aid provisions will go into effect as soon as the bill is signed into law, according to Congressional aides.

In other areas covered by the bill, new programs—including aid to urban universities, and new graduate fellowships—will not begin operating until academic 1981-82, because Congress has not appropriated funds for those programs in the fiscal year that began October 1.

2 Collective-Bargaining Cases Reflect Continuing Impact of Yeshiva Decision

WASHINGTON

In continued fallout from last February's Supreme Court decision on faculty collective bargaining, one case has been sent back to a regional office of the National Labor Relations Board and another appealed to the Court.

The N.L.R.B. ordered additional hearings to determine the status of faculty members at Salem College in West Virginia, in light of the Supreme Court's ruling that faculty members at Yeshiva University are managerial employees who are not entitled to bargain collectively under the National Labor Relations Act.

In the Salem case, one of several post-*Yeshiva* cases now under consideration by the N.L.R.B., the college argued that no further hearings were necessary because the record had already established that faculty members had "a greater degree of managerial and supervisory responsibility than did the Yeshiva University faculty."

The faculty union, an affiliate of the National Education Association, and the N.L.R.B.'s general counsel urged the board to reopen the case because the record had been "rendered outmoded" by the *Yeshiva* decision.

The Ithaca College Faculty Association, an affiliate of the American Federation of Teachers (A.F.L.-C.I.O.), has petitioned the Supreme Court to review a circuit-court decision dismissing a lawsuit brought against the college for refusing to negotiate. The college argues, in line with the the *Yeshiva* decision, that faculty members are supervisory or managerial employees and are not covered by federal labor law.

The circuit court had dismissed the case on procedural grounds because the N.L.R.B. refused to hold additional hearings on faculty status following the *Yeshiva* decision. —B.T.W.